

would increase the budget pressures on agriculture in any future budget reconciliation efforts.

"Farmers will continue to push for the tax reform measures included in the stalled budget reconciliation measure," Kleckner said. "Securing an increase in the estate tax exemption and a decrease in the capital gains tax rate are as important to the agriculture economy as nailing down a sensible farm bill. We will continue to highlight the importance of those tax measures as the budget debate continues, but America's farmers need a farm bill now. AFBF and state Farm Bureaus will be making a concerted push in Washington, D.C. and at home in the coming weeks, during Congress' ill-timed February recess."

[From the Omaha World Herald, Jan. 26, 1996]

#### FARM BUREAU TRIES TO FREE MIRE D FARM BILL

(By David C. Beeder)

WASHINGTON.—Members of the American Farm Bureau Federation are seeking immediate action on farm legislation that has been stalled along with the balanced-budget bill. Farm Bureau President Dean Kleckner said Thursday.

Kleckner said the 4.5 million-member Farm Bureau, the country's largest agricultural organization, has started working in every congressional district to urge House and Senate members to separate farm legislation from the long-delayed budget bill.

"Our intention now is to lead the charge in getting a farm bill passed as soon as possible," said Kleckner, a farmer from Rudd, Iowa. "Spring planting season in many Southern states is just around the corner."

Without farm legislation, some farmers are finding it difficult to borrow money, Kleckner said.

A stand-alone farm bill introduced by Rep. Pat Roberts, a Republican from Kansas who heads the House Agriculture Committee, would allocate \$44 billion over seven years to make declining annual payments to farmers based on subsidies they received in the past.

The Roberts bill, co-sponsored by Rep. Bill Barrett, R-Neb., would eliminate acreage restrictions and a requirement that farmers grow the same crop year after year to qualify for payments. Farmers could plant any crop, or no crop, under the bill.

Kleckner said everyone involved in U.S. agriculture recognizes that "declining payments are a fact of life we will have to live with."

However, he said, "My gut feeling is there will always be payments made on agriculture. They may not be related to crop production. They may be made for environmental reasons."

The Roberts-Barrett bill has run into opposition in the Senate.

Opponents include Sens. Tom Daschle, D-S.D., the minority leader, Byron Dorgan, D-N.D., Bob Kerrey, D-Neb., J.J. Exon, D-Neb., and Tom Harkin, D-Iowa.

"I have heard some members of Congress say the bill would pass over their dead bodies," Kleckner said, "If there is no farm bill, there will be a lot of dead bodies."

Mr. HARKIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa.

#### AGRICULTURE

Mr. HARKIN. Mr. President, I have another matter on which I wish to speak, but I want to thank the Senator from Nebraska for bringing this issue

to the floor. For the life of me, I cannot understand why we do not have a farm bill this year. We passed a farm bill out of the Senate Agriculture Committee. It was not what I wanted. But we had our votes, we debated it. Yet, we never brought it on the Senate floor to debate and vote on it. Never. Here it is, almost February 1996, and farmers in our area do not know what to do, how much credit to apply for, or what seed to buy, or what kind of program we are going to have this year. Then listening to the Senator from Nebraska repeat the rapid changes in the national president, or chairman, whatever his position is, of the Farm Bureau, is disconcerting at best.

The Senator from Nebraska, if I understand this right, said that as recently as a month ago, the leader of the Farm Bureau was saying in a letter that was written publicly, I guess, that the Farm Bureau was in favor of a farm program that would have some connection between commodity programs and support prices, and that they were in favor of a program that would support farmers in years when prices were low, but not necessarily when prices are high. Was that just a month ago, I ask the Senator?

Mr. EXON. I believe the date was November 6, maybe 60 days ago. The timeframe may be a little over a month. But the Senator is absolutely correct, regardless of the date, there was a dramatic change overnight, without any explanation from the Farm Bureau of being against the program they are now for, and that boggles my mind.

Mr. HARKIN. I add, on the Agriculture Committee last summer—and I forget the exact date—the same individual, the president of the American Farm Bureau, was before our committee. Then we were talking about the budget, of which the distinguished Senator from Nebraska knows a lot, since he is a ranking member on our Budget Committee. I was asking him about the budget. I said that the Clinton budget cuts about—I think at that time it was around \$4 billion, over a period, from agriculture, and I think the House budget cut something like \$13 billion or \$14 billion from agriculture. I asked him, "Given those two options, which would you prefer? Which would the Farm Bureau be for?" He said they would prefer the Clinton budget.

Now it seems like there is another big turnaround where they want this so-called freedom to farm bill, which, as the Senator said, is really the farm welfare bill. I do not know how anyone could ask us to pass a bill that would give a Government check to a farmer when prices were extremely high in the marketplace. But that is what they are asking for. It is a siren song for farmers. If they buy into that, in a few years there will not be any farm program or any farm bill at all to protect them when prices are low. I thank the Senator for bringing this up.

Mr. EXON. If the Senator will yield for a minute—

Mr. HARKIN. Yes. I yield.

Mr. EXON. My friend has been at the forefront of workable farm programs for a long time. I am as mystified as he is. To build upon what the Senator just said, I placed in the RECORD the other day the farm welfare program, the so-called Freedom to Farm Act. It would provide a massive amount, thousands of dollars a year, to a farmer whether or not the farmer even planted, on one hand, and he would get the same amount of thousands of dollars—I figured out that a typical farm of 500 acres, a corn farmer, at \$3.10 a bushel, under the Freedom to Farm Act, even though that farmer at 500 acres, 120 bushels return, which is somewhere near normal—

Mr. HARKIN. We get more than that in Iowa.

Mr. EXON. It would be \$186,000 gross income the farmer would make. That is gross, not net. But on top of that \$186,000, that particular farmer would receive a check of about \$16,000. Or, I might add, if the price of corn went up to \$4 a bushel, he would still get the \$26,000, or at \$5 a bushel, the farmer would get the \$26,000; or if the farmer did not want to do anything and just sit home and watch television and surf the channels and not even go out and plant, he still gets \$26,000 from the Federal Government.

If that is not a form of welfare—as I said in my remarks, once the Sun shines in on that, once the members of the Farm Bureau realize and recognize that their leadership is trying to convert a farm program based on production that supports them when prices are low but does not support them when they are getting \$3.10 a bushel, there is going to be a revolution in the Farm Bureau. There is also going to be, what is more serious, a revolution that the Senator from Iowa commented on when the people of the United States and the Members of the House of Representatives and U.S. Senate recognize that you are throwing that kind of money away, regardless of what the price of corn is, even at \$5 a bushel, you get it whether or not you earn it, and that is welfare.

Mr. HARKIN. I thank the Senator from Nebraska. I compliment him. He has been a great leader in agriculture. I am going to miss his leadership in the years to come on the Senate floor.

#### REDUCING NUCLEAR TENSIONS IN THE WORLD

Mr. HARKIN. Mr. President, I rise on a matter of great concern to me and all those who are concerned about reducing nuclear tensions in the world, who are concerned about nonproliferation, and who are in favor of and concerned about a comprehensive test ban treaty. I might point out that in the State of the Union Message last Tuesday, President Clinton said that one of the things he wanted to accomplish was a comprehensive nuclear test ban treaty.

Most experts agree that nowhere on Earth is the potential for a nuclear

confrontation more real today than on the Indian subcontinent. Recent news has only served to heighten those concerns.

According to an article in the December 15, 1995, issue of the New York Times, "U.S. intelligence experts suspect that India may be preparing for its first nuclear test since 1974." Needless to say, Mr. President, this is alarming news and it cannot be taken lightly.

Mr. President, this is the article from the New York Times, Friday, December 15: "U.S. Suspects India Prepares To Conduct Nuclear Test."

The day after that, on December 16—I might add in this article of December 15, the Indian spokesman said that that is not what it was. He said that these were army exercises whose "movements have been absurdly misinterpreted." That was on December 15.

On December 16, the next day, a story in the New York Times: "India Denies Atom-Test Plan But Then Turns Ambiguous."

It went on to say that the Indian Government denied it was planning its first nuclear test, and a few hours later recast its position to describe as "highly speculative" a report in the New York Times that quoted American intelligence experts as saying they suspected an Indian test was being prepared.

Mr. President, I ask unanimous consent that these two articles be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the New York Times, Dec. 15, 1995]

**U.S. SUSPECTS INDIA PREPARES TO CONDUCT NUCLEAR TEST**

(By Tim Weiner)

WASHINGTON, December 14.—American intelligence experts suspect India is preparing for its first nuclear test since 1974, Government officials said today.

The United States is working to discourage it, fearing a political chain reaction among nuclear nations.

In recent weeks, spy satellites have recorded scientific and technical activity at the Pokaran test site in the Rajasthan desert in India. But intelligence experts said they could not tell whether the activity involved preparations for exploding a nuclear bomb or some other experiment to increase India's expertise in making nuclear weapons.

"We're not sure what they're up to," a Government official said. "The big question is what their motive is. If their motive is to get scientific knowledge, it might be months or years before they do the test. If it's for purely political reasons, it could be this weekend. We don't know the answer to those questions."

Shive Mukherjee, Press Minister of the Indian Embassy here, said today that the activities at the nuclear test site were army exercises whose "movements have been absurdly misinterpreted."

The Congress Party of India, which has governed the country most of the years since independence in 1947, is facing a serious challenge from a right-wing Hindu nationalist party. United States Government officials say a nuclear weapons test could be used by the Congress Party as a symbol of its political potency.

Despite efforts to persuade the world's nuclear powers to sign a comprehensive test ban treaty, China and France have tested nuclear weapons in recent months. If India follows suit, its neighbor, Pakistan, with which it has tense relations, may also test a nuclear weapon, Government and civilian experts said. Neither country has signed the Nuclear Nonproliferation Treaty.

"It's going to have a nuclear snowball effect," said Gary Milhollin, director of the Wisconsin Project on Nuclear Arms Control in Washington and a leading civilian expert on the spread of nuclear weapons. "It also jeopardizes the possibility that the world will sign a comprehensive test ban treaty next year."

A State Department official who spoke on condition of anonymity said that if India exploded a nuclear bomb, it "would be a matter of great concern and a serious setback to nonproliferation efforts."

"The United States is committed to the early completion of a comprehensive test ban," the official said. "We are observing a moratorium on nuclear testing and we have called upon all nations to demonstrate similar restraint."

But not all nations have heard the call.

India says publicly that it wants the complete elimination of nuclear weapons. But its nuclear hawks argue that the United States and Russia will never live up to that ideal and that a comprehensive test ban that is not linked to drastic reductions in the world's nuclear arsenals could leave India a second-rate or third-rate nuclear power.

Mr. Milhollin said India did not have a great archive of test data for nuclear weapons that could be mounted on a warhead and placed on a missile. "Once the test ban treaty comes in, they will be data-poor," he said. "A test now would supply them data, it would be a tremendous plus for the Congress Party, it would give them a big boost in the elections."

Political pressure for a nuclear test is building among India's right wing. "They are saying: 'What are we sitting around for? Why should we sign a test ban treaty not linked to the reduction of nuclear weapons?'" said Selig S. Harrison, an expert on South Asia at the Carnegie Endowment for International Peace.

In 1974 India exploded what was believed to be a Hiroshima-sized bomb equal to 12,000 tons of TNT, which it called a "peaceful nuclear explosion." It renewed its program some years later, and in 1989 the Director of Central Intelligence, William H. Webster, testified that India had resumed research on thermonuclear weapons.

While India has sought to limit the nuclear abilities of China, it is most concerned about the nuclear-weapons program of Pakistan, although Pakistan has not acknowledged it has one. The two countries have had three wars, unending political tensions and constant border disputes since they were formed by the partition of India in 1947 after its independence from Britain.

A subnuclear experiment, which would not involve a nuclear explosion, might not have the political effect of a full-fledged detonation. But Administration officials said they feared that any test would create pressure on Pakistan to follow suit.

"We look at this in a balance with Pakistan," a White House official said.

[From the New York Times, Dec. 16, 1995]

**INDIA DENIES ATOM-TEST PLAN BUT THEN TURNS AMBIGUOUS**

(By John F. Burns)

NEW DELHI, Dec. 15.—The Indian Government denied today that it was planning its first nuclear test since 1974, then recast its

position a few hours later to describe as "highly speculative" a report in the New York Times today that quoted American intelligence experts as saying they suspected an Indian test was being prepared.

The Government offered no explanation for the change in its statements. But the effect was to leave open the possibility that an underground test is being prepared or that the Government wants to keep alive the impression that it has the option to conduct a test.

Senior political, military and scientific officials in India gathered to discuss the response to the Times report, which said United States spy satellites had detected preparations at the Pokaran test site in Rajasthan, 340 miles west of New Delhi.

Western intelligence agencies say India has been pursuing a secret nuclear weapons program intensively for years.

Someone faxed a copy of the Times article to the Foreign Ministry shortly after the first edition of the newspaper went on sale in New York on Thursday night. Within an hour, Arif Khan, Foreign Ministry spokesman, telephoned the Times bureau in New Delhi with a denial. "There is no truth in this," he said. "There is no question of any test being conducted."

Mr. Khan said the technical activity detected could have been related to "routine military exercises," including a recent air force training operation in the area, which is near the Pakistan border.

After the high-level officials had met to discuss the issue, Mr. Khan held a briefing for reporters, and was cautious in his responses, avoiding outright denial. "It is a totally speculative kind of report," he said. When a reporter asked if the speculation was true or false, he replied: "There is no such thing as true speculation. Speculation is speculation."

By encouraging uncertainty about its plans the Government appeared to be following the ambiguous policy it has laid down since the test at Pokaran on May 18, 1974. That test stunned Western governments that had hoped that India would turn its back on nuclear weapons. At the time, India described the test of a Hiroshima-sized bomb equal to about 12,000 tons of TNT, as "a peaceful nuclear explosion," a description Mr. Khan repeated today.

India's program to perfect nuclear warheads has been presented as a contingency plan, not as a program aimed at building or deploying nuclear weapons. Mr. Khan reaffirmed this position today, saying, "While we have the capability, we have not utilized it, because we believe in the peaceful uses of nuclear energy and not for weapons purposes."

But behind this public stance, Indian experts said, pressures have been building for new tests. The experts said the tests would measure the effectiveness of development since 1974, allowing scientists to measure the efficiency of new approaches to bomb-making, including miniaturization of warheads and new triggering mechanisms.

But others said the main pressure has been political. While the nuclear debate here has focused on Pakistan, which has been identified by United States intelligence officials as having its own secret nuclear weapons program, officials say India's long-range concerns focus more on China, which has at least 450 nuclear-armed ballistic missiles capable of striking targets in India.

Mr. HARKIN. India has denied but Indian officials have failed to state clearly and categorically that India will refrain from testing. I fear, and many others fear, if India proceeds with its testing program then Pakistan will feel obligated for their own security reasons to follow suit. This deadly game of

chicken would almost certainly escalate.

To make matters even more troubling, reports today indicate that international negotiations in Geneva on a comprehensive nuclear test ban treaty are being severely complicated, perhaps even undermined, by India's insistence to link a test ban with total nuclear disarmament.

Mr. President, India must be reminded that a nuclear test will trigger severe economic sanctions. U.S. military and economic aid, U.S. support for loans by the World Bank and other multilateral institutions, and export licenses, would all be suspended.

Mr. President, it is time for both India and Pakistan to pull back from a nuclear collision course. It is time to end the nuclear saber-rattling and begin real talks at the negotiating table. To that end, Mr. President, I commend the recent statement by Pakistan Prime Minister Benazir Bhutto expressing Pakistan's willingness to meet with India anywhere in the world at any time to ensure that what happened in Hiroshima and Nagasaki does not happen in Pakistan or India. I hope Indian officials take up her offer. It is the right thing to do.

The fact is that in the two decades since India's first nuclear weapons test, Pakistan has initiated at least eight proposals to reduce or eliminate the threat of nuclear weapons in that region. Most recently, it proposed the creation of a missile-free zone in all of South Asia. Each time, India has resisted these proposals.

Mr. President, I had a chart prepared which is the Pakistani proposals that they have provided, that they have produced over the years, trying to seek an accommodation, trying to keep nuclear weapons from being produced in their area. I might just briefly go through those.

First, to establish a nuclear weapons free-zone in South Asia, proposed in 1974; second, to issue a joint Indo-Pakistan declaration renouncing the acquisition and manufacture of nuclear weapons, proposed in 1978; to have mutual inspections by India and Pakistan of nuclear facilities, proposed in 1979; for simultaneous adherence to NPT by India and Pakistan, proposed in 1979; to endorse a simultaneous acceptance of full-scope international atomic energy agency safeguards, proposed in 1979; for agreement on a bilateral or regional nuclear test ban treaty, proposed in 1987; to commence a multilateral conference on the question of nuclear proliferation in South Asia, proposed in 1991; and to create a missile-free zone in all of South Asia, proposed in 1993.

These are the steps that Pakistan has proposed over the years to reduce the level of tensions, to stop the production of nuclear weapons in that area. Each time that they have proposed this, India has resisted these proposals.

Mr. President, since the end of the cold war, solving nuclear tensions in the Indian subcontinent has been a

leading nonproliferation goal of the United States. At best, this senseless arms race would squander billions of dollars and decrease security in the region and beyond. For this reason I call on my colleagues to join me in urging India to clearly state that it will refrain from nuclear testing. Furthermore, I call on the administration to support efforts to bring both India and Pakistan together for negotiations to eliminate the threat of nuclear proliferation in that region once and for all.

Mr. President, I further ask unanimous consent to have printed in the RECORD an editorial that appears in the Chicago Tribune, Sunday, January 7, 1996, entitled "The Nuclear Danger In South Asia."

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Chicago Tribune, Jan. 7, 1996]

#### THE NUCLEAR DANGER IN SOUTH ASIA

Here's question certain to unsettle those who still delude themselves that the end of the Cold War eliminated the menace of potential nuclear war on planet Earth: Is there an international rivalry today, one so unstable and hostile, that nuclear weapons might be launched in anger?

According to those in the government charged with keeping an American eagle on this problem, the answer, sadly, is yes. Not so very likely between the U.S. and Russia, they say—thank goodness!—nor between the U.S. and China. And while the two Koreas remain locked in a standoff of highly hostile intent, the South has no nuclear capability.

A nuclear war between India and Pakistan is the most likely scenario. Partitioned from former British colonial territory, the two nations are divided by religion and already have fought three wars over territory.

The Bush administration went so far as to say in private that it believed the 1990 Indo-Pakistani dispute over the province of Kashmir might have gone nuclear had shooting started in that crisis.

That's why reports from the U.S. intelligence community that India is preparing for another nuclear test, its first in 21 years, are worrisome. Why would India want to throw a match into this tinderbox?

The government of India denies American accusations, that it is about to conduct a nuclear operation at its Pokaran test site in the Rajasthan desert. But American experts say that two motivations may be driving India to a new round of testing.

First, the sitting government has been stung by weak electoral showings and can read public opinion that favors a strong defense, including nuclear arms.

And second, India wants to publicly defy the will of the major nuclear powers, which are urging treaties that would forever bar new states from seeking nuclear defenses. India derides such a system of dividing the world into "bomb haves" and "bomb have-nots" as "nuclear apartheid."

Why should the world care if India and Pakistan continue to go nuclear? There are reasons of the heart and of the mind.

Between them, India and Pakistan are home to a full one-fifth of the world's population, and even a nuclear exchange "limited" to a few warheads would present a humanitarian and ecological disaster of near-biblical proportions.

And to be coldly realistic, nobody knows what would happen once the nuclear taboo was broken, but the liberating effects—and

on possible enemies of the United States—cannot be dismissed. The nuclear genie must remain locked in the bottle.

Thus, India must be dissuaded in every way possible from conducting a nuclear test. And it should join in understanding that the Nuclear Non-proliferation Treaty and the Comprehensive Test Ban Treaty will make the whole planet safer for all by limiting the spread of nuclear weapons and know-how.

Mr. HARKIN. Mr. President, I have several articles from newspapers around the country talking about the problem of nuclear proliferation in that part of the world, talking about the indications that India may be ready to conduct a nuclear test. I ask unanimous consent that the various articles be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the New York Times, Dec. 15, 1995]

#### ARREST IN PAKISTAN BLAST

ISLAMABAD, PAKISTAN.—December 14.—Pakistan is holding a Canadian relief worker of Egyptian origin, apparently in connection with the suicide bombing of the Egyptian Embassy in Islamabad on Nov. 19, his wife said today.

Maha Elsamna, 38, said that the police detained her husband, Ahmed Saeed Khadr, regional director of the Canadian-based aid agency Human Concern International, in Peshawar in northwestern Pakistan on Dec. 3.

Ms. Elsamna said her husband was detained by the police a day after returning from Afghanistan.

[From the Philadelphia Inquirer, Dec. 14, 1995]

#### WORLD IN BRIEF—PAKISTAN ACCUSES THE UNITED STATES OF MEDDLING OVER KILLINGS

ISLAMABAD, PAKISTAN.—Pakistan accused the U.S. government yesterday of meddling in its affairs after Washington expressed concern over a sharp rise in killings of people detained by security forces.

State Department spokesman Nicholas Burns said Monday that the Clinton administration "deplores the senseless murder of family members of government and political leaders" in Karachi, Pakistan's violence-plagued largest city. His comments followed the shooting deaths of Nasir Hussain, 62, and Arif Hussain, 28, the brother and nephew of Altaf Hussain, the opposition leader blamed for leading an ethnic war against the Karachi authorities.

A Pakistani human-rights official, Iqbal Haider, sharply criticized the State Department yesterday, saying its statement was "uncalled for and a clear interference in Pakistan's internal affairs." He accused Washington of ignoring the deaths of law-enforcement officers, nearly 200 of whom have been killed in Karachi in the last six months as a result of the ethnic violence.

Mr. HARKIN. Again, Mr. President, it is time to reduce the tensions in that area. The best way to do that is to use our good offices, the administration, and also to let our voices be heard so that our friends in India—and I say that forthrightly; India is not an enemy of ours. They are a friend of ours. We have relations with India. But they have to understand the gravity of this situation. They have to understand that if they would clearly state that they will not conduct nuclear testing, how much further that would advance the cause of peace and reduce the tensions in that area.

Perhaps then we can get about bringing both India and Pakistan together, to stall the problems that we have in Kashmir, where thousands of innocent people are losing their lives. It need not be that way. We can solve these problems. But India must first renounce the use of nuclear weapons and must first state very clearly that they are not going to conduct nuclear testing.

With that out of the road, and I believe the pathway would be clear for this administration and for other governments to get India and Pakistan together to solve the outstanding problems that continue to engulf the entire area.

#### MORNING BUSINESS

Mr. DOLE. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business with Senators permitted to speak for up to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### AUCTION OF SATELLITE SLOT BRINGS IN MILLIONS FOR AMERICAN TAXPAYERS

Mr. DOLE. Mr. President, I ask unanimous consent that today's New York times article entitled, "News Corp. and MCI Win Satellite Slot" be printed in the RECORD. The sale of this national resource is a windfall for American taxpayers. Many thought it would only bring in \$20 million to \$100 million. But the experts were wrong. It brought in a whopping \$682.5 million. Senator McCain and Senator Brown deserve recognition, and our thanks, for pushing through the legislation that made this auction possible.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, Jan. 26, 1995]  
NEWS CORP. AND MCI WIN SATELLITE SLOT  
BID OF \$682 MILLION TO BEAM TV TO HOMES  
(By Edmund L. Andrews)

WASHINGTON, January 25.—After a brief but spirited bidding war, MCI Communications and Rupert Murdoch's News Corporation agreed today to pay the Federal Government \$682 million for the last unclaimed orbital slot for a satellite that can beam television straight to individual homes across the United States.

The two companies, which have formed a joint venture to build and operate the system, said they planned to invest another \$1 billion and hoped to begin offering both television and a broad range of business communication services within two years.

"We are talking about much, much more than higher quality television," said Bert C. Roberts, the chairman and chief executive of MCI, in a satellite-linked news conference with Mr. Murdoch.

But some analysts remain skeptical about the idea. MCI and the News Corporation paid top dollar for the license, more than twice that Tele-Communications Inc. of Denver was willing to pay when it dropped out of the Federal Communications Commission's auction on Wednesday.

The two companies will also be years behind several rivals, all of which either can or will beam more than 150 channels of television to relatively small antennas.

"I'm scratching my head, trying to figure out where they are going," said Daniel P. Reingold, a telecommunications analyst with Merrill Lynch.

DirectTV, a subsidiary of General Motors' Hughes Electronics, has signed up 1.2 million subscribers who receive service over antennas about 18 inches in diameter. And its pace is likely to speed up because the AT&T Corporation bought a small stake in the company this week and plans to start marketing its service through the AT&T sales force.

Echostar Communications of Englewood, Colo., which lost out to MCI in today's auction, already owns another direct-broadcast license and has launched its first satellite. It hopes to beam about 75 channels of television in March and to double that capacity with a second satellite by the end of the year.

And Primestar Partners, a consortium owned by several of the country's biggest cable television companies, is marketing a similar service that customers receive on bulkier three-foot-wide satellite dishes.

Today, however, Mr. Roberts and Mr. Murdoch radiated confidence and said they had much more in mind than simply emulating traditional cable television. Mr. Roberts described beaming things like medical images between hospitals, video training materials for corporations and high-speed data links to connect far-flung offices of a company.

Winning this license will allow MCI and the News Corporation to embark on the first tangible project of the alliance they formed nearly a year ago, in which MCI paid \$2 billion for a 13.5 percent stake in News Corporation.

As the nation's second-largest long-distance carrier, MCI has been struggling to move beyond its traditional business and match moves made by both AT&T and the Sprint Corporation.

Sprint, meanwhile, has teamed up with four of the country's biggest cable companies in a bid to offer a full range of telephone, cable television and wireless communication services.

The new satellite license will allow the two companies to beam more than 200 channels of television programming over direct-broadcast satellites, high-powered satellites whose signals can be received by pizza-sized 18-inch dishes in individual homes.

Under the new joint venture, MCI said it would take lead responsibility for developing business communication services and the News Corporation would take the lead on consumer services. Mr. Murdoch said the consumer business would focus primarily on competing with traditional cable television operators.

Mr. Murdoch has already been both shrewd and highly successful in the satellite television business overseas. In Europe, the News Corporation owns a 40 percent in B Sky B, a service that now has five million subscribers. And in Asia, the News Corporation owns Star TV, which beams television and radio over Japan, Korea, China and India.

MCI, despite its difficulties in branching beyond the long-distance market, has nevertheless repeatedly shown itself a master of marketing prowess that has generally outpaced both AT&T and Sprint in the long-distance arena.

David Roddy, a communications analyst with Deloitte & Touche Consulting Group, said MCI had particular need for obtaining the last unclaimed satellite spot for direct-broadcast television because it had no other way of distributing entertainment and other forms of media.

"A lot of people are asking whether MCI can afford to do this, but my answer is, can they afford not to do it?" Mr. Roddy said.

#### MEDICARE REIMBURSEMENT FOR TAMOXIFEN

Mr. HATCH. Mr. President, each year in this country approximately 180,000 women are diagnosed as having breast cancer, a terrible disease that will claim nearly 50,000 lives. But, nearly 2.6 million women are breast cancer survivors, in part because of the availability of Tamoxifen citrate, a widely used post-operative drug for this disease.

My colleagues may not be aware that a low-cost version of Tamoxifen is available on the market today. As a result, the estimated 800,000 women who take two tablets per day of this lower cost medicine are saving a total of \$81 million a year.

It has not been widely publicized, but during consideration of the Balanced Budget Act, a provision was included in the now-vetoed conference report to amend the Medicare Program to include reimbursement for Tamoxifen. In an effort to lessen the cost of this expansion of Medicare reimbursement, a rebate was included to reduce the cost of the drug to the Federal Government when covered as part of Medicare.

Unfortunately, I believe my colleagues were unaware of the negative effects of this rebate provision when it was passed as part of the budget bill. One notable drawback is that the provision would have set the very undesirable precedent of establishing a Medicare rebate. Such a rebate would be unwise policy for a number of reasons, but that is not the focus of my remarks here today.

More importantly, as a result of this new and unprecedented Medicare rebate, the provider of the low-cost alternative of Tamoxifen would no longer be able to make this product available in the domestic market. That is because the rebate, combined with the terms of a contract negotiated between the lower cost provider and the drug innovator, would cause the lower cost provider to lose money on each bottle of Tamoxifen sold.

Ironically, for Medicare beneficiaries and other consumers, the result of what I believe was a well-intentioned amendment could only be higher prices for this life-saving breast cancer therapy. Such a result would indeed be tragic, and I hope that my colleagues will give this a second thought as future Medicare bills are developed.

#### MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Thomas, one of his secretaries.

#### EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.